Titling Tips

December 2006

LEGISLATIVE CHANGE EFFECTIVE JANUARY 1, 2007

Senate Bill 1233 (2004 session) Makes Electronic Sales Reporting Mandatory January 1, 2007

Dealers who sell an average of 20 or more motor vehicles, trailers, all-terrain vehicles, and/or boats per month must file their sales reports electronically (Filing electronically eliminates filing paper monthly sales reports (DOR-385) and Notice of Sale (NOS) forms).

Dealers who elect to or are required to file their sales electronically must report <u>all</u> sales using one of the two electronic reporting options outlined below:

- Option 1 Enter each sale on the department's Internet NOS Reporting System Application; or
- Option 2 Submit a prescribed file to the department's secure server through the department's <u>Internet NOS Reporting System</u>. This method is for dealers who use front-end vendor software (or software developed by the dealership) and avoids duplicate entry of the sales data.

Registration — APPLY NOW for electronic sales reporting to avoid the last minute rush. Visit http://dorx.mo.gov/mvdl/motorv/liendeal/ to obtain an Application For Online Dealer's Monthly Sales Report Filing and additional information about electronic filing, including the file format for Option 2 filers.

NOS Dealer User Manual

For more information on filing your sales electronically or to view the NOS Dealer User Manual please go to http://www.dorx.mo.gov/mvdl/motorv/liendeal. For telephone inquiries regarding this information, call (573) 751-4509.

FORMS UPDATE

DOR Revises Certificate of Title to Include New Security Features

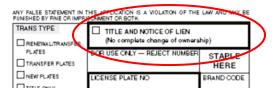
In mid December, the Department of Revenue (DOR) will make the following changes to the Certificate of Title:

- A portrait of the state Capitol will print inside the heat ring on the face of the title in the lower right-hand corner.
- "Transfer" has been added behind "Notice of Sale".
- Required fields have been indicated on the Notice of Sale/Transfer.



DOR-108 Streamlined to Include Notice of Lien Option

The Application for Missouri Title and License (DOR-108) has been revised to include a box in the upper right-hand corner which may be checked when applying for title and filing a Notice of Lien when there is NO COMPLETE change of ownership in order to simplify the process. A separate Notice of Lien (DOR-4809) or the five-part DOR-108 is no longer required in this situation.



You may order title applications in bulk from the Missouri Automobile Dealer's Association (MADA) at no charge by ordering online at www.madastore.com, by calling (573) 761-1020, or by writing to MADA, P.O. Box 1309, Jefferson City, Missouri 65102.



DOR-5005 Revised so One Form Fits All!

The Application/Affidavit for Missouri Repossession Title (DOR-5005) has been revised to accommodate boats/vessels and outboard motors. The Application for Missouri Watercraft or Outboard Motor Title and Registration (DOR-93) and the General Affidavit (DOR-768) are no longer required for these repo transactions. The revised DOR-5005 form may be used for <u>all</u> of your repossessed title needs.



You may order the DOR-5005 online at http://www.dort.mo.gov/mvdl/formorder/, by calling (573) 751-8343, or by writing to Missouri Department of Revenue, Motor Vehicle Bureau, P.O. Box 100, Jefferson City, Missouri 65105.

TITLING ISSUES

DOR Improves Title Turnaround Time!

All contract offices are now key entering the following title transactions/types online using the department's new Title and Registration Intranet Processing System (TRIPS).

- Original titles;
- Duplicate titles; and
- Corrected titles.

What does this mean for you? Faster service for less money! Titles will be mailed directly to the address shown on the title application within two business days after the office finalizes that day's business and no \$5 quick title fee will be charged. Many offices, including the central office, are already processing titles on TRIPS. Applications for quick repossessed, salvage, or marine titles must continue to be accompanied by the \$5 quick fee, if applicable.



Mini-Cabs/Off-Road Utility Vehicles

Mini-cabs and off-road utility vehicles (including motorized bicycles) may NOT be titled or registered. These should not be listed on your sales reports or NOS forms.

 All-terrain vehicles must be titled and display a registration decal.



Using Leased Vehicles For Trade-In Credit

To use a leased vehicle as a <u>trade-in TAX credit</u> on the purchase of another vehicle, the customer must first purchase the leased vehicle from the lessor and title and pay sales tax on the vehicle.

Example: Customer purchases a vehicle from a dealer for \$20,000 with zero cash down payment and the dealer agrees to accept a leased vehicle as a trade-in for \$6,000. The leasing company assigns the vehicle directly to the dealer. The dealer should record a net purchase price of \$20,000 on the title application for the new vehicle and <u>no</u> trade-in amount.

Notice of Sale (NOS) Tips

- A NOS (DOR-5049) form is not required to be submitted for motor vehicles sold for salvage, scrap, or junk or for vehicles with a salvage title or junking certificate.
- Do not complete NOS forms on off-road vehicle (including motorized bicycle) or mini-cab sales or list them on your monthly sales reports.
- When entering the Missouri title number in Section B of the form, please verify the title number is correct.

DEALER LICENSURE ISSUES

Submit Dealer Reports on Time to Avoid Discipline or Penalties

The law requires dealer sales reports to be submitted by the 15th day of the month following the month in which the sales are reported. If you have reports outstanding, please submit them as soon as possible. This also applies to sales filed electronically.

What sales must be reported?

All sales including:

- Retail sales to Missouri and out-of-state residents.
- Wholesale sales to Missouri and out-of-state dealers.

Who do I list as the purchaser on sales reports for vehicles sold at an auction?

The actual purchaser of the vehicle (not the auction) must be listed as the purchaser.



Dealer Licenses Expire December 31ST

All dealer licenses expire December 31, 2006. If you have not submitted your dealer license renewal application/requirements to the Dealer Licensing Section, please do so immediately. A \$25 late penalty fee must be included. Applications received after December 31, 2006 must include a \$50 late penalty. You cannot buy and sell motor vehicles without having a current dealer license.

Dealers who drive to Jefferson City to renew their license and receive their new dealer plates must notify the Dealer Licensing Section 24 hours in advance at (573) 751-8343.

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